

State of Idaho Endowment Fund

Manager Insight

March 31, 2003

Mastrapasqua

Portfolio Positives:

Performance in Technology
Stock selection in Biotechnology
Underweight in Financials
Holding in Federal Express

Portfolio Negatives:

Underperformed in retail – Home Depot
And Target
Stock selection in Defense – L3

Mastrapasqua had a very strong quarter, producing positive returns in a significant headwind. They believe October 9th was the bottom of the bear market and thus any revenue growth will spur growth stocks forward. Mastrapasqua is currently considered large cap, however they will buy a stock in the \$2 billion range. Thus, Mastrapasqua must be considered a large-mid cap growth manager.

Recommendations: Hold

Trainer Wortham

Portfolio Positives:

Overweight to Industrials
including Defense
Financial Services stock selection

Portfolio Negatives:

Underweight in Consumer Staples

Recommendations: Terminated in April due to long-term underperformance and change in management team.

Met West

Portfolio Positives:

Underweight Telecom
Stock selection in Consumer Staples
Stock selection in Health care

Portfolio Negatives:

Underweight in Financials
Stock selection in Financials
Stock selection in Utilities

Underperformed during 1st quarter mainly due to stock selection. Seventy percent of companies Met West owns beat earnings expectations, so they believe the market will reward them going forward.

Recommendations: Continue on WATCH due to stock selection concerns.

Nicholas Applegate

Portfolio Positives:

Top decile earnings estimate companies
did not get rewarded
Stock selection in Consumer Services
Overweight in Energy

Portfolio Negatives:

War effect on small cap
Overweight in Transportation
Overweight in Cyclical Consumer Goods

Nicholas Applegate believes that we are moving back to a more normal environment and high earnings expectations will be rewarded and favor their stock selection process.

Recommendations: Continue on WATCH.

Strong Small Cap Value

Portfolio Positives:

Overweight in Energy
Overall stock selection in Energy
Stock selection in Technology

Portfolio Negatives:

Overweight in Basic Materials
Stock selection in Metals & Mining,
specifically Gold stocks
Holding in Forest Oil

Strong believes there will be short-term rally in growth names, thus they may underperform in specific periods. However, they do not see long-term sustainability in the rally and are committed to the value stocks in their portfolio. The heavy overweight in gold and metals will continue to be held, as it was purchased due to long-term fundamentals not geo-political reasons.

Recommendations: Hold

Lazard

Portfolio Positives:

Stock selection in United Kingdom
Stock selection in Netherlands

Portfolio Negatives:

Overweight in Netherlands
Underweight in Australia

Lazard adds value through stock selection. Country allocation and currency exposure detracted from overall performance. Due to the low turnover style, there should be little change in the portfolio construction.

Recommendations: Hold

Internal Fixed Income

Portfolio Positives:

Corporate exposure
Duration versus peers

Portfolio Negatives:

Benchmark sensitivity

Portfolio continues to be positioned for short-term interest rate stability and long-term increases. Continue to monitor for pricing distortions in marketplace.